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## THE ECONOMIC INTERPRETATION OF HISTORY. III.

### VIII.

THUS far I have set forth the theory of the economic interpretation of history and have studied some of the objections that are commonly advanced. There still remain among the criticisms most frequently encountered two points which seem to be somewhat more formidable. Of these perhaps the more important is the one that figured fourth in our original list,<sup>1</sup>—the objection, namely, that the theory of economic interpretation neglects the ethical and spiritual forces in history.

It must be confessed, indeed, that the attempts thus far made by the "historical materialists" to meet the objection have not been attended with much success.<sup>2</sup> On closer inspection, nevertheless, this criticism also turns out to be in some respects less weighty than has often been supposed. For what, after all, is the realm of ethical or spiritual forces? To answer this question it is necessary to distinguish between the existence of the moral law and its genesis. The failure to draw this distinction is largely responsible for the confusion of thought which still prevails.

From the historical point of view it no longer admits of reasonable doubt that all individual ethics is the outgrowth of social forces. Moral actions are of two kinds, — those which

<sup>1</sup> POLITICAL SCIENCE QUARTERLY, XVII, 88.

<sup>2</sup> This is true not only of the Germans, but of the English, like Bax, and of the French, like Labriola, Deville and Lafargue. Cf. especially Mehring, *Die Lessing Legende*, p. 463, and the articles in *Die neue Zeit*: by Bax, vol. xv, pp. 175, 685; by Kautsky, vol. xiv, p. 652, and vol. xv, pp. 231, 260; by Bernstein, vol. xi, p. 782. Bernstein has also treated the subject in his more recent books.

As to the French socialists, see Labriola, *Essais sur la conception matérialiste de l'histoire* (1897); Lafargue, *Idéalisme et matérialisme* (1895); and Deville, *Principes socialistes* (1896).

directly affect other individuals, and those which primarily affect only one's self. In the first class, comprising to-day the great mass of activities to which we apply the term ethical, the sanction was originally social in character. The conception of sin or immorality is not the primary conception. Historically we first find crimes and torts, that is, offenses against society as a whole or against the individuals comprising society; it is only at a much later period that the idea emerges of an offense against God or against the moral law as reflected in one's conscience. When the conception of sin was once reached it was indeed gradually broadened so as to include the other offenses, until to-day the commission of either crime or tort involves a sin. But historically sins were not recognized as such before torts and crimes.

Among brutes there is in all probability no such thing as morality, no conception of good or evil.<sup>1</sup> The female may protect her young through instinct; but to maintain that this is a moral action is, to say the least, premature. It no doubt conduces to the perpetuation of the species, and thus is a powerful factor in natural selection; but there is nothing moral about the action unless we are willing to apply the term "moral" to every act — whether instinctive or volitional — that makes for the permanence of the species. Morality in its origin indeed implies utility; but utility does not necessarily connote morality. Even if we predicate morality of animals, however, future investigators will no doubt explain its origin on very much the same lines as that of human morality.

For with the institution of human society we are on safer ground and can trace the glimmerings of a moral development. In the primitive peoples that still exist in almost the lowest

<sup>1</sup> The reason why it is not safe categorically to deny the existence of morality among animals is that the older contention of an essential psychical difference between man and animals has broken down before the flood of recent investigation. Comparative biology has proved that psychological phenomena begin far down in animal life. Some writers even profess to find them among the very lowest classes of beings — so low indeed that it is even doubtful whether they belong to the animal or the vegetable kingdom. For a popular presentation, see Binet, *The Psychic Life of Micro-Organisms* (1894). Binet's views, however, are not shared by the more conservative biologists.

stages of savagery the only offenses that are recognized are even to-day offenses against the horde or clan, that is, what we should call public offenses or crimes. Treason, incest and witchcraft are the three great original crimes that are almost universally found. They are offenses against the community, because they imperil, in the estimation of the people, the very existence of society. At first there is no idea of sin apart from these offenses. The words "good" or "bad" are invariably applied only to actions affecting the social group. The very conception of wrong is a social conception. Certain actions come to be considered wrong because they are socially injurious. They are punished by society as a whole, and the cause of their punishment is to be found in the consciousness of society that they are infractions of the fundamental social customs which have been so laboriously developed. For these customs are the teachings of mother nature drilled into countless generations of savage ancestors. They are lessons in social necessity, in social selection, where failure to learn or refusal to obey means the inevitable destruction of the social group — means social death.<sup>1</sup>

What has been said of crimes applies also to torts. The earliest offense of the aboriginal savage against his comrade carried with it no more moral implication than does to-day the killing of one animal by another. Passionate action and retaliation were originally with men, as they are still with brutes, the form assumed by the desire for physical mastery. The animal struggle for existence is neither moral nor immoral — it is unmoral. As soon, however, as the offense of man against man was taken notice of by society, as soon as the retaliation was regulated by social custom or law, the punishment was invested with a social sanction, and the act began to be regarded as reprehensible. When human beings came to see that certain actions directed against their fellows were followed by social reprobation or by individual vengeance resting on social approval, it did not take long to learn that if they valued their

<sup>1</sup> Hall, *Crime in its Relation to Social Progress*. Columbia University Studies in History, Economics and Public Law, XV (1902), 55.

existence in society they must refrain from such actions. In the contest of man with man each individual always has a chance of victory ; he therefore feels no certainty that a given act will be followed by any baneful consequences to him. But against a social group, the individual is powerless and his opportunity for escape from punishment is slight.

In the course of ages social customs grow so rigid that any deviation from the habitual usage comes to be regarded not only as peculiar but as positively harmful, and therefore reprehensible. The fear of social disapproval and the hope of social approval become the forces which lead to the original ideas of evil or good as applied to the social actions of the individual.

Whether the conception of tort or that of crime is the earlier historically, need not be discussed here. Most writers assume that torts precede crimes ; and it is undoubtedly true that many torts are gradually transformed into crimes. On the other hand, it is almost equally certain that some crimes have preceded torts. Adultery was a crime as incest before it was a tort ; deception was a crime as treason before it was a tort. However that may be, the point of importance for us is that both torts and crimes are offenses with a social sanction, and that before this social sanction existed there was no such idea as that of sin or immorality applicable to the actions of man to man.

The teachings of language itself afford a clear indication of the social origin of the conception of morality. The word "ethical" is derived from *ἦθος*, which means social custom or usage ; just as "moral," which Cicero tells us<sup>1</sup> he coined in imitation of the Greek, is derived from *mos*, denoting precisely the same as *ἦθος*. So also the German term for moral, *sittlich*, is derived from *Sitte*, or social usage. It is society which has set the original imprint on the very conception of morality.

Not only is the idea of morality an historical product, but the content of morality changes with the state of civilization or with the social class. Homicide was at one time as little immoral as the killing of one animal by another is at present ;

<sup>1</sup> Cicero, *De Fato*, cap. i.

it was simply unmoral. Even to-day it is not immoral if committed by a soldier in warfare; it becomes murder and sinful only when the same individual acts in some other capacity than that of a member of the army. Again, with reference to some acts it is not quite clear whether they are right or wrong. For instance, the deception practiced by General Funston to entrap Aguinaldo is declared by some to be not wholly wrong because it scarcely, if at all, violated the social usages of civilized nations in warfare — provided, that is, that we are willing to confess that there is a difference between civilized and uncivilized warfare. On the other hand, the looting by some of the allies of the treasures in Peking and Tientsin is generally conceded to be wrong, because it has recently become a custom reprobated by the social conscience of the most civilized peoples. Competition is still the rule in business life: economists call it neither moral nor immoral. But competition between members of the smaller social group known as the family is no longer deemed defensible, because it has long since been recognized by society at large that social welfare would, on the whole, be furthered by the practice of family coöperation. The taking of private property without compensation is ordinarily considered wrong; but when a man's house is blown up to check a conflagration, the action is neither morally nor legally wrong, because of the overmastering social considerations.

Thus the conception of right or wrong does not attach invariably to any particular action, because the same action may, under different circumstances and as applied to varying social stages, be both right and wrong. Since social considerations make the social actions of the individual right or wrong, the idea of good or evil itself is a social product.

What we have thus far said is true primarily of the social actions of individuals — of the acts of man to man. The principle, however, is equally applicable to the second class of moral actions referred to above — those, namely, which seem at first to affect the individual only. An individual, for instance, may be guilty of some particular practice upon

himself, which we popularly declare to be not good for him, or a vice. Properly speaking, however, all that was originally meant was that it was not conducive to his physical or material welfare. Whiskey is not good for an ordinary child; whiskey is good for an invalid. In the original conception of good there is no idea of morality — of right or wrong. If an animal gorges itself to repletion, we do not ascribe any moral quality to the action. When the isolated savage first mutilated himself there was no thought of anything right or wrong, but only of what might be the physical or material consequences, irrespective of the fact whether these consequences might be brought out by natural forces or by the interposition of some supernatural spirit or demon. Just as an individual called those things good which promoted his material welfare, so society called those things good which contributed to its continued existence. As soon as the idea of social advantage, however, forces itself through, we reach the conception of morality. An action is now reprobated or admired according as it conduces to the social welfare; and long-continued custom makes the individual conform his actions and ideas to this social standard, *i.e.*, creates in him the feeling of right or wrong.

Thus what is good physically for the individual becomes good morally only when the social test has been applied. Since this ethical connotation is the result of social forces, it is clear that acts which had originally only a physical significance for the individual gradually acquired an ethical significance because of the assumption that they would lead to certain social consequences. A member of modern society who will continually gorge himself will acquire certain characteristics that will make him distasteful to his fellow men, or that will serve as a bad example to others. In either case it is the social considerations that attach an ethical significance to what is at bottom a mere individual physical act. It is only when men have learned to live in society and when they have come to fear that some individual practice will react upon their ideas or their actions in relation to other individuals, that they learn to attribute a moral quality even to acts which at first blush seem to

bear no relation to any one else. The same is true of the actions of men toward animals. The killing of an animal as such is in itself neither good nor bad; but cruelty to animals is reprobated because of the probable effects on the character of the human being who commits the act. Thus all acts of the individual, whether they seem to affect himself alone or others, become good or bad only as the result of social considerations.

All individual morality is the outcome and the reflex of social morality. Conscience itself, or the ability to distinguish between good and bad, is the historical product of social forces.<sup>1</sup> We must therefore agree with Sutherland when he defines the moral instinct as "that unconscious bias which is growing up in human minds in favor of those among our emotions that are conducive to social happiness."<sup>2</sup> We must equally subscribe to his statement that

there is no foundation of any sort for the view maintained by Kant and Green and Sidgwick, with so many others, that this inward

<sup>1</sup> The theory of the social origin of morality has been brilliantly worked out by von Ihering in the second volume of his masterpiece, *Der Zweck im Recht* (1883; 2d ed., 1886). Von Ihering made no attempt to apply the theory to the general doctrine here under consideration. In English literature the earliest treatment of the subject is found in Darwin's *Descent of Man*, ch. iv. For an interesting adumbration of the theory of the social origin of morality, cf. the brilliant but very incomplete passages of W. K. Clifford in his articles "On the Scientific Basis of Morals" and "Right and Wrong," published originally in 1875 and reprinted in his *Lectures and Essays*, II (1879), esp. 111, 112, 114, 119-123, 169, 172-173. The admirable work of Alexander Sutherland, *The Origin and Growth of the Moral Instinct* (1898), bases the development of morality on the growth of sympathy through the family. Thus he tells us that "from the usages that grew up within the family sprung morality; from those that sprung up between the families grew law," II, 138; or again, "True morality grows up within the family," II, 146; or again, "Moral rules as to bloodshed, honesty, truth, chastity are all, by birth, of family growth," II, 151. Sutherland forgets, however, that in early society it was not the family in the modern sense, but the horde, the clan and the tribe that formed the unitary social groups. Sutherland's book, nevertheless, is the first one in English clearly to point out that the (social) utilitarian theory of ethics has nothing "low" or "sordid" about it, but is really compatible with the most idealistic view of the universe. For the earlier and cruder opposition on the part of the intuitionists, see Miss Cobbe's "Darwinism in Morals," *Theological Review* (April, 1872), pp. 188-191.

<sup>2</sup> *Op. cit.*, II, 306.



sense [conscience] is innate — a supernatural, mysterious and unailing judge of conduct. On the contrary what society praises, the individual will in general learn to praise, and what he praises in others he will commend in himself.<sup>1</sup>

Whatever truth there may be in the intuitive or transcendental theory of ethics as a part of the cosmic scheme, there is no doubt that morality as applied to human beings is the result of a slow unfolding, in which social forces have played the chief rôle.

Such is the origin of the moral sense; its existence and activity are undoubted facts of human life. It exerts a profound influence on the individual because it is the crystallization of centuries of social influences. So slow, however, has been the accumulating force of these influences that the individual is utterly oblivious of its social origin and importance. But, although conscience exists as a separate category, it does not lead an entirely independent life. It is like instinct with animals: ages of dearly bought experience have served to put an almost indelible imprint on animal habits, until a certain course of action is followed instinctively.<sup>2</sup> The imprint, however, is not quite indelible. Just as the instinct is in its origin an historical product, it will inevitably be slowly moulded by future experiences. The instinct to preserve life remains; but the particular method which is instinctively followed changes from time to time. The instinct persists, but its form is modified. So the fact of moral consciousness in man and the existence of the ethical and spiritual life in civilized society are undoubted; but the content of this moral consciousness changes with the same forces that originally gave it birth.

<sup>1</sup> Origin and Growth of the Moral Instinct, II, 72.

<sup>2</sup> This is not the place to discuss the various theories of instinct. A popular discussion may be found in Alfred Russell Wallace's *Darwinism*, p. 441, and a more technical one in Weissmann's *Essays on Heredity* and in C. L. Morgan's *Habit and Instinct*. It will suffice here to quote from Romanes: "There is ample evidence to show that instincts may arise either by natural selection fixing on purposeless habits which chance to be profitable, so converting these habits into instincts without intelligence being ever concerned in the process; or by habits, originally intelligent, becoming by repetition automatic." — *Mental Evolution in Animals*, p. 267.

It would, therefore, be absurd to deny that individual men, like masses of men, are moved by ethical considerations. On the contrary, all progress consists in the attempt to realize the unattainable — the ideal, the morally perfect. History is full of examples where nations, like individuals, have acted unselfishly and have followed the generous promptings of the higher life. The ethical and the religious teachers have not worked in vain. To trace the influence of the spiritual life in individual and social development would be as easy as it is unnecessary. What is generally forgotten, however, and what it is needful to emphasize again and again, is not only that the content of the conception of morality is a social product, but also that amid the complex social influences that coöperated to produce it the economic factors have often been of chief significance — that pure ethical or religious idealism has made itself felt only within the limitations of existing economic conditions.

The material, as we have seen, has almost always preceded the ethical. Individual actions, like social actions, possessed a material significance long before they acquired an ethical meaning. Etymology helps us here as it did in the discussion of the meaning of morality itself. A thing was originally a good in the material sense in which we still speak of "goods and commodities"; the ethical sense of good as opposed to bad came much later. In popular parlance we still speak of a broken nail as "no good," without desiring to pass any moral judgment on it. The original meaning of "dear" was not ethical, but economic; a commodity may still be "dear," even if we do not love it. To-day we esteem somebody; originally we put a money value on him (*aestimare*, from *aes*, money). In modern times we appreciate a quality; originally we set a price on it (*ad-pretium*). Everywhere the physical, material substratum was recognized long before the ethical connotation was reached.

Since the material precedes the ethical, it will not surprise us to learn that the material conditions of society — that is, in the widest sense, the economic conditions — continually modify the content of the ethical conception. Let us take a few illustrations at random. Slavery, for instance, was not considered

wrong by the great Greek moralists, whose ethical views on many other topics were at least on a plane with those of modern times. In the same way the English colonists, who at home would have scouted the very idea of slavery, soon became in the southern states of America the most ardent and sincere advocates of the system; even the clergymen of the South honestly refused to consider slavery a sin. Had the northern and western states been subjected to the same climatic and economic conditions, there is little doubt that, so far at least as they could keep themselves shut off from contact with the more advanced industrial civilization of Europe, they would have completely shared the moral views of their southern brethren. Men are what conditions make them, and ethical ideals are not exempt from the same inexorable law of environment.

To the ethical teachers of the middle ages feudal rights did not seem to be wrongs. The hardy pioneers of New England needed a different set of virtues from those which their successors in a softer age have acquired; the attempt to subdue the Indian by love, charity and non-resistance would have meant not so much the disappearance of evil as the disappearance of the colonists. The moral ideal of a frontier society is as legitimate from the point of view of their needs as the very different ideal of a later stage of society. The virtue of hospitality is far more important in the pastoral stage than in the industrial. The ethical relation of master to workmen under the factory system is not the same as under the guild system. The idea of honor and of the necessity of duelling as a satisfaction for its violation is peculiar to an aristocratic or military class; with the change of economic conditions which make for democracy and industrialism, the content of the conception changes. We hear much of the growth of international law and of the application of ethical principles to international relations. We forget that such principles can come into existence only when the conditions are ripe. Universal peace can exist only when one country is so powerful that it dominates all the others—as in the case of imperial Rome—or when the chief nations have grown to be on such a footing of equality that none dares to

offend its neighbor, and the minor countries are protected by the mutual jealousies of the great powers. Political ethics is here precisely like private ethics. Individual vengeance does not disappear until all the citizens are subjected to the power of the strong tyrant, or until the people are willing to abide by the decision of the court, because of the conviction that before the law they are all equal. International law began when economic forces in the sixteenth and seventeenth centuries made the first step toward equality by converting the heterogeneous petty principalities into great nations; international justice and universal peace will come only when the economic changes now proceeding apace shall have converted the struggling nations of the present day into a few vast empires, dividing among themselves, and gradually civilizing, the outlying colonial possessions, thus attaining a condition of comparative economic equality. Economic equality among individuals creates the democratic virtues; economic equality among nations can alone prepare the way for international peace and justice.

Thus the economic interpretation of history, correctly understood, does not in the least seek to deny or to minimize the importance of ethical and spiritual forces in history. It only emphasizes the domain within which the ethical forces can at any particular time act with success. To sound the praises of mercy and love to a band of marauding savages would be futile; but when the old conditions of warfare are no longer really needed for self-defense, the moral teacher can do a great work in introducing more civilized practices, which shall be in harmony with the real needs of the new society. It is always on the border line of the transition from the old social necessity to the new social convenience that the ethical reformer makes his influence felt. With the perpetual change in human conditions there is always some kind of a border line, and thus always the need of the moral teacher, to point out the higher ideal and the path of progress. Unless the social conditions, however, are ripe for the change, the demand of the ethical reformer will be fruitless. Only if the conditions are ripe will the reform be effected.

The moral ideals are thus continually in the forefront of the contest for progress. The ethical teacher is the scout and the vanguard of society; but he will be followed only if he enjoys the confidence of the people, and the real battle will be fought by the main body of social forces, amid which the economic conditions are in last resort so often decisive. There is a moral growth in society, as well as in the individual. The more civilized the society, the more ethical its mode of life. But to become more civilized, to permit the moral ideals to percolate through continually lower strata of the population, we must have an economic basis to render it possible. With every improvement in the material condition of the great mass of the population there will be an opportunity for the unfolding of a higher moral life; but not until the economic conditions of society become far more ideal will the ethical development of the individual have a free field for limitless progress. Only then will it be possible to neglect the economic factor, which may henceforward be considered as a constant; only then will the economic interpretation of history become a matter for archæologists rather than for historians.

Moral forces are, indeed, no less influential in human society than the legal and political forces. But just as the legal system, like the political system, conforms at bottom to the economic conditions, so the particular ethical system or code of morality has been at any given period very largely an outgrowth of the social, and especially of the economic, life. If by materialism we mean a negation of the power of spiritual forces in humanity, the economic interpretation of history is really not materialistic. But if by economic interpretation we mean — what alone we should mean — that the ethical forces themselves are essentially social in their origin and largely conditioned in their actual sphere of operation by the economic relations of society, there is no real antagonism between the economic and the ethical life. The economic interpretation of history, in the reasonable and moderate sense of the term, does not for a moment subordinate the ethical life to the economic life; it does not even maintain that in any single individual there is a

necessary connection between his moral impulses and his economic welfare; above all, it does not deny an interpenetration of economic institutions by ethical or religious influences. It endeavors only to show that in the records of the past the moral uplift of humanity has been closely connected with its social and economic progress, and that the ethical ideals of the community, which can alone bring about any lasting advance in civilization, have been erected on, and rendered possible by, the solid foundation of material prosperity. In short, the economic conception of history, properly interpreted, does not neglect the spiritual forces in history; it seeks only to point out the terms on which the spiritual life has hitherto been able to find its fullest fruition.

## IX.

The fifth objection to the doctrine of economic interpretation is that it involves us in absurd exaggerations. In the way that it is commonly put, however, this objection, even if true, would be beside the mark.

It is indeed a fact that some of the enthusiastic advocates of economic interpretation have claimed too much, or have advanced explanations which are for the present at least not susceptible of proof. Thus the most brilliant of the Italian economists—Achille Loria—has published a number of books<sup>1</sup> in which he has attempted to interpret a vast mass of historical phenomena from the economic point of view. Many of his statements are correct, and have been successfully defended against the attacks of his critics; but some of his explanations are obviously unsatisfactory. Above all he has laid too much stress upon the influence of land in modern society and has thus, in some cases, injured rather than aided the general theory of economic interpretation, of which only the particular

<sup>1</sup> One of these has been translated by Professor Keasbey under the title: *The Economic Foundation of Society* (1899). The original Italian was published in 1885, and a third edition appeared in 1902 under the title: *Le Basi economiche della costituzione sociale*. His other important works bearing on the same general subject are *Analisi della proprietà capitalista* (1889), and his more recent works, *La Sociologia, il suo compito* (1901) and *Il Capitalismo e la scienza* (1901).

application — even if an admirably suggestive one — is original with him.<sup>1</sup>

Other less brilliant writers have been guilty of even more extreme statements. Thus some have sought to make religion itself depend on economic forces. In this contention there is indeed a modicum of truth. We know that the religion of a pastoral people is necessarily different from that of an agricultural community. Marx himself pointed out that "the necessity for predicting the rise and fall of the Nile created Egyptian astronomy and with it the dominion of the priests as directors of agriculture."<sup>2</sup> A Russian scholar who had no connection with socialism has shown that somewhat analogous conditions were responsible for the theocracies of the other Oriental nations.<sup>3</sup> Hence it may be granted that there is an undoubted economic element in the religions of the past, as well as in those of the present.<sup>4</sup> Perhaps the most striking attempt, however, to carry the theory beyond its legitimate bounds is that which has sought the explanation of Christianity itself in economic facts alone.<sup>5</sup> It is indeed an accepted opinion nowadays that

<sup>1</sup> It is a singular testimony to the neglect of Marx's writings outside of Germany that so many critics in England, France and Italy should have hailed Loria as the originator of the doctrine of economic interpretation. Even Professor Keasbey is not entirely free from this error. See the Translator's Preface (p. ix) to the English edition. Loria himself, however, has made no such claim. See his recent book, *Marx e la sua dottrina* (1902), esp. cap. 31: "Intorno ad alcune Critiche dell' Engels."

<sup>2</sup> *Capital*, Engl. Transl., p. 523, note 1.

<sup>3</sup> Metschnikoff, *La Civilisation et les grandes fleuves historiques* (1889). Marx, of whom Metschnikoff was entirely ignorant, had said twenty years before: "One of the material bases of the power of the state over the small disconnected producing organisms in India was the regulation of the water supply." *Capital*, p. 523, note 2. Kautsky was led by this passage to study the conditions of the other Asiatic theocracies and came to the same conclusion without knowing anything of Metschnikoff, whose book had appeared in the interval. See *Die neue Zeit*, IX (1899), 447, note.

<sup>4</sup> Some of the social and economic aspects of modern religious movements have been emphasized by Thomas C. Hall, *The Social Meaning of the Modern Religious Movement in England* (1900).

<sup>5</sup> The economic interpretation of Christianity was first advanced by Kautsky in "Die Entstehung des Christenthums," *Die neue Zeit*, III (1885), 481, 529, and by Engels in his essay on "Bruno Bauer und das Urchristenthum" in the *Züricher Sozialdemokrat* (1882), Nos. 19, 20. It was developed by Engels in

much of the opposition to Jesus was due to his radical social program and his alleged communistic views; it is equally certain that the economic conditions of the Roman Empire favored the reception of these new ideas. To contend, however, that Christianity was primarily an economic movement, is to ignore the function of the spiritual forces which we have just been discussing.<sup>1</sup>

The theory of economic interpretation has been applied not only to religion but even to philosophy. The whole movement of thought, for instance, which we associate with the words Greek philosophy has been explained in a ponderous volume as a phenomenon referable to essentially economic causes.<sup>2</sup> Eleutheropoulos,<sup>3</sup> it is true, denies that he is attempting to prove the validity of historical materialism; for he claims to be a "philosopher" rather than a historical materialist, and he calls his theory the "Grecian theory of development."<sup>4</sup> On closer inspection, however, the difference between the two doctrines is scarcely discernible; for the author tells us that the "materialistic conception of history furnishes the key to the phenomenon of how the general character of philosophy as a *Weltanschauung* displays itself in different forms and shadings." He states indeed that more than this it cannot do and that philosophy is also the product of the philosopher as an individual. "The theory of the economic relations

a subsequent article in *Die neue Zeit* in 1894, by E. H. Schmitt, also in *Die neue Zeit*, XV (1897), 1, p. 412, and by Kautsky in the chapter on "Der urchristliche Kommunismus" in the first volume of *Die Geschichte des Sozialismus* (1895).

<sup>1</sup> Some of the objections have been urged by Hermann, *Sozialistische Irrlehren von der Entstehung des Christentums* (1899). Kohler, however, goes entirely too far in the other direction.

<sup>2</sup> This view was first advanced by Dr. Stillich in an article in *Die neue Zeit*, XVI, 1, p. 580. This turned out, however, to be a plagiarism from the lectures of a Greek privat-docent at Zürich, mentioned in the next note. See *Die neue Zeit*, XVI, 2, p. 154.

<sup>3</sup> *Wirtschaft und Philosophie, oder die Philosophie und die Lebens-Auffassung der jeweils bestehenden Gesellschaft. Erste Abtheilung: Die Philosophie und die Lebens-Auffassung des Griechentums auf Grund der gesellschaftlichen Zustände.* Von Abr. Eleutheropoulos (1898; 2d ed., 1900).

<sup>4</sup> Preface to second edition.



of society as the cause of becoming can therefore be true only in the sense of the formal cause of development.”<sup>1</sup> Yet in almost every section he attempts to trace the connection between the particular philosophic theory and the economic conditions. It is needless to say that the attempt is far from successful. The social philosophy of the Greeks is indeed an outcome of the social conditions, as is to be expected; but the search for the ultimate principles of life and thought, as we find it in the greatest of the Greek thinkers, has no conceivable relation with the actual economic conditions. The explanations of Eleutheropoulos are almost always farfetched.

The economic interpretation of philosophy has not been confined to the Greek period. Another writer, presumably a socialist, has furnished an economic explanation of von Hartmann’s philosophy, on the ground that the German *bourgeoisie* is giving up its class consciousness.<sup>2</sup> It is obviously not worth while to discuss this seriously.

Other more or less extreme applications of the theory are familiar to all. Among older writers that flourished before the theory itself was formulated it will suffice to mention Alison, who ascribed the downfall of the Roman Empire to the monetary difficulties of the period, and those Spanish historians who made the decay of Spain turn upon the extension of the *alcavala* — the general tax on sales. To come to more recent authors, we need but mention Mr. Brooks Adams<sup>3</sup> and Professor Patten,<sup>4</sup> who, amid much that is suggestive, have centred their attention upon particular economic conditions in the history of Rome and England respectively, and have ascribed to these an influence on general national development out of all proportion to their real significance.

Such invalid applications of the theory, however, do not necessarily invalidate the doctrine itself. We must distinguish here, as in every other domain of human inquiry, between the use

<sup>1</sup> *Op cit.*, p. 16.

<sup>2</sup> Masaryk, *Die Grundlagen des Marxismus*, p. 146.

<sup>3</sup> *The Law of Civilisation and Decay.*

<sup>4</sup> *The Development of English Thought.*

and the abuse of a principle. The difference between the scientist and the fanatic is that the one sees the limitations of a principle, where the other recognizes none. To make any science or any theory responsible for all the vagaries of its over-enthusiastic advocates would soon result in a discrediting of science itself. Wise men do not judge a race by its least fortunate members; fair-minded critics do not estimate the value of a doctrine by its excrescences.

It is, however, important to remember that the originators of the theory have themselves called attention to the danger of exaggeration. Toward the close of his career Engels, influenced no doubt by the weight of adverse criticism, pointed out that too much had sometimes been claimed for the doctrine. "Marx and I," he writes to a student in 1890,

are partly responsible for the fact that the younger men have sometimes laid more stress on the economic side than it deserves. In meeting the attacks of our opponents it was necessary for us to emphasize the dominant principle, denied by them; and we did not always have the time, place or opportunity to let the other factors, which were concerned in the mutual action and reaction, get their deserts.<sup>1</sup>

And in another letter Engels explains his meaning more clearly :

According to the materialistic view of history the factor which is *in last instance* decisive in history is the production and reproduction of actual life. More than this neither Marx nor I have ever asserted. But when any one distorts this so as to read that the economic factor is the sole element, he converts the statement into a meaningless, abstract, absurd phrase. The economic condition is the basis, but the various elements of the superstructure—the political forms of the class contests, and their results, the constitutions—the legal forms, and also all the reflexes of these actual contests in the brains of the participants, the political, legal, philosophical theories, the religious views . . . —all these exert an influence on the

<sup>1</sup> This letter is printed in *Der sozialistische Akademiker*, October 1, 1895, and is quoted by Greulich, *Ueber die materialistische Geschichts-Auffassung* (1897), p. 7, and by Masaryk, *Die Grundlagen des Marxismus* (1899), p. 104.

development of the historical struggles, and in many instances determine their form.<sup>1</sup>

To ascribe everything to economic changes is plainly inadmissible. Engels himself pointed out in another place that to attempt to explain every fact of history on economic grounds is not only pedantic, but ridiculous. Political conditions and national traditions much more often play an important rôle. To say, for instance, that Brandenburg of all the German states should have been selected to become the great power of the future solely because of economic considerations, is foolish. To claim that every petty German principality was destined to live or to die for economic reasons alone, would be as absurd as to ascribe the difference between the various German dialects solely to economic causes.<sup>2</sup>

<sup>1</sup>“Nach materialistischer Geschichts-Auffassung ist das in letzter Instanz bestimmende Moment in der Geschichte die Produktion und Reproduktion des wirklichen Lebens. Mehr hat weder Marx noch Ich je behauptet. Wenn nun Jemand das dahin verdreht, das ökonomische Moment sei das einzig bestimmende, so verwandelt er jenen Satz in eine nichtssagende, abstrakte, absurde Phrase. Die ökonomische Lage ist die Basis, aber die verschiedenen Momente des Ueberbaues — politische Formen des Klassenkampfes und seine Resultate — Verfassungen, nach gewonnener Schlacht durch die siegende Klasse festgestellt, u. s. w. — Rechtsformen, und nun gar die Reflexe aller dieser wirklichen Kämpfe im Gehirn der Beteiligten, politische, juristische, philosophische Theorien, religiöse Anschauungen und deren Weiterentwicklung zu Dogmensystemen, üben auch ihre Einwirkung auf den Verlauf der geschichtlichen Kämpfe aus und bestimmen in vielen Fällen vorwiegend deren Form. Es ist eine Wechselwirkung aller dieser Momente, worin schliesslich durch alle die unendliche Menge von Zufälligkeiten (d. h. von Dingen und Ereignissen, deren innerer Zusammenhang untereinander so entfernt oder so unnachweisbar ist, dass wir ihn als nicht vorhanden betrachten, vernachlässigen können) als Notwendigkeit die ökonomische Bewegung sich durchsetzt. Sonst wäre die Anwendung der Theorie auf eine beliebige Geschichtsperiode ja leichter als die Lösung einer einfachen Gleichung ersten Grades.” — *Der sozialistische Akademiker* (October 15, 1895), p. 351. Reprinted in Woltmann, *Der historische Materialismus* (1900), p. 239. Cf. also Engels's view of the importance of idealistic elements in a second letter of 1890 printed in the *Leipziger Volkszeitung* (1895); No. 250 (reprinted in Woltmann, p. 243), and in a further letter of 1893 printed in the second edition of F. Mehring's *Geschichte der deutschen Sozialdemokratie*, Zweiter Theil, p. 556.

<sup>2</sup>“Es wird sich kaum ohne Pedanterie behaupten lassen, dass unter den vielen Kleinstaaten Norddeutschlands gerade Brandenburg durch ökonomische Notwendigkeit und nicht auch durch andere Momente (vor allen seine Verwicklung, durch den Besitz von Preussen, mit Polen und dadurch mit internationalen politischen Verhältnissen — die ja auch bei der Bildung der österreichischen

Thus we see the doctrine of "historical materialism" in its crude form repudiated even by its founders. And it is unfortunately true that many "historical materialists," by the very exaggeration and vehemence of their statements, have brought discredit on a doctrine which, in a sublimated form, contains so large an element of truth and which has done so much for the progress of science.

## X.

What then shall we say of the doctrine of economic interpretation?

That its authors originally claimed too much for it, or at least framed the doctrine so as to give rise to misconception, is undoubtedly true. That some of its advocates have gone entirely too far is equally certain. And it is above all certain that the choice of the term "historical materialism" is unfortunate. The materialistic view of history, like the utilitarian theory of morals, has had to suffer more because of its name than because of its essence. The one is as little sordid as the other.

The economic interpretation of history, correctly understood, does not claim that every phenomenon of human life in general, or of social life in particular, is to be explained on economic grounds. Few writers would trace the different manifestations of language or even of art primarily to economic conditions; still fewer would maintain that the various forms of pure science have more than a remote connection with social conditions in general. Man is what he is because of mental evolution, and even his physical wants are largely transformed and transmuted in the crucible of reasoning. The facts of mentality must be reckoned with.

Hausmacht entscheidend sind) dazu bestimmt war, die Grossmacht zu werden, in der sich der ökonomische, sprachliche und seit der Reformation auch religiöse Unterschied des Nordens vom Süden verkörperte. Es wird schwerlich gelingen, die Existenz jedes deutschen Kleinstaates der Vergangenheit und Gegenwart oder den Ursprung der hochdeutschen Lautverschiebung, die die geographische, durch die Gebirge von den Sudeten bis zum Taunus gebildete, Scheidewand zu einem förmlichen Riss durch Deutschland erweiterte, ökonomisch zu erklären, ohne sich lächerlich zu machen." — *Der sozialistische Akademiker, loc. cit.*

It is an error,<sup>1</sup> however, to suppose that the theory of economic interpretation can be set aside by refuting the supposed claim that the economic life is genetically antecedent to the social or the mental life. The theory makes no such claim.

The whole contention as to the precedence in time of an assumed cause over a given effect is quite beside the mark. It reminds one of the old query as to which came first, the egg or the chicken. There is no longer any dispute among biologists as to the influence of environment. When, however, we speak of the transformation of a given species, we do not necessarily mean that the environment was there first, and that the organism came later. Without the environment there could indeed be no change; but without the organism there can also be no change. The adaptation of the organism to the environment simply means that those among existing variations are selected which conduce most to the perpetuation of the species. If there were no existing variations or sports there would be no transformation. The fact that the variation may have existed before the change in environment occurs is no objection to the theory of adjustment of the organism to the environment. Although we say that the organism is determined by the environment, it is quite immaterial which existed first.

So it is with humanity. All human progress is at bottom mental progress; all changes must go through the human mind. There is thus an undoubted psychological basis for all human evolution. The question, however, still remains: What determines the thought of humanity? Even if we say that the answer is to be sought in the social conditions, the statement is irrespective of the genetic antecedence of the social environment to the mental life. It is quite true that the kernel of Marx's whole doctrine is to be found in the celebrated sentence: "It is not the consciousness of mankind that determines its existence, but on the contrary its social existence that determines its

<sup>1</sup> Committed, for instance, by my honored colleague, Professor Giddings, in his interesting article "The Economic Ages," *POLITICAL SCIENCE QUARTERLY* (June, 1901). Almost the same argument was made at the same time by Salvadori, *La Scienza economica e la teoria dell'evoluzione* (1901), pp. 58-63.

consciousness.”<sup>1</sup> However extreme this statement may be on its purely philosophical side, it is not open to one criticism so frequently advanced; it does not necessarily imply that the social existence comes first, and the consciousness afterwards. Such an implication is as unwarranted as it would be in the analogous doctrine of biology; when biologists tell us that the organism is determined by the environment they do not necessarily make any hypothesis as to the priority of the one to the other. The whole question of genetic antecedence is unimportant.

Of far more importance, however, is the criticism based on the alleged insufficiency of the economic factor to explain the changes in social life in general. There is little doubt that the extreme advocates of “historical materialism” have laid themselves open to attack from philosophers and historians alike. They have sometimes seemed to claim that all sociology must be based exclusively on economics, and that all social life is nothing but a reflex of the economic life.<sup>2</sup> No such claim, however, can be countenanced, and no such claim is made by the moderate advocates of the theory.

The claim cannot be countenanced for the obvious reason that economics deals with only one kind of social relations and that there are as many kinds of social relations as there are classes of social wants. We have not only economic wants, but also moral, religious, jural, political and many other kinds of collective wants; we have not only collective wants but individual wants, like physical, technical, æsthetic, scientific and philosophical wants. The term “utility,” which has been appropriated by the economist, is not by any means peculiar to him. Objects may have not only an economic utility, but a physical, æsthetic, scientific, technical, moral, religious, jural,

<sup>1</sup> “Es ist nicht das Bewusstsein der Menschen, das ihr Sein, sondern ihr gesellschaftliches Sein, das ihr Bewusstsein bestimmt.”—Marx, *Zur Kritik der politischen Oekonomie*, Vorwort, p. v. The whole controversy of Hollitscher, *Das historische Gesetz* (1901), pp. 93 *et seq.*, misses the real point.

<sup>2</sup> Among these extremists must be classed Loria, who has advanced his views most clearly in his interesting work *La Sociologia*. In this he seeks to distinguish an economic sociology from the biologic or psychologic sociology of other writers.

political or philosophical utility. The value which is the expression of this utility and which forms the subject-matter of economics is only one subdivision of a far greater class. For all the world is continually rating objects and ideas according to their æsthetic, scientific, technical, moral, religious, jural, political or philosophical value, without giving any thought to their economic value. So far as utility and value are social in character, that is, so far as they depend upon the relation of man to man, they form the subject-matter of sociology. Economics deals with only one kind of social utilities or values and can therefore not explain all kinds of social utilities or values. The strands of human life are manifold and complex.<sup>1</sup>

In this aspect, what is untrue of the individual cannot be true of the group of individuals. We have passed beyond the time when it was incumbent to explain the fallacy lurking in the phrase "the economic man." There is indeed an economic life and an economic motive — the motive which leads every human being to satisfy his wants with the least outlay of effort. But it is no longer necessary to show that the individual is impelled by other motives than the economic one, and that the economic motive itself is not everywhere equally strong, or equally free from the admixture of other influences. A full analysis of all the motives that influence men, even in their economic life, would test the powers of the social psychologist. There is no

<sup>1</sup> An interesting criticism of "historical materialism" from this point of view and with especial reference to the influence of economics on law is made by Rudolf Stammler, Professor of Law in Halle, in his rather ponderous work, *Wirtschaft und Recht nach der materialistischen Geschichts-Auffassung* (1896). Stammler is far fairer to Marx than most of the opponents of the theory. He considers the attempt of Marx as in many ways a most remarkable one and deserving of high praise; but he nevertheless objects to the theory as unfinished and not completely thought out. Stammler does not contend that no monistic explanation of social life is possible. In fact his own synthesis is constructed on teleological lines — an explanation which regards all past social life in the light of social purposes or a social ideal. With special reference to the relation between law and economics, he defines social life as a "common activity regulated from without" (*ein äusserlich geregeltes Zusammenwirken*), and maintains that these external rules govern at once the legal, political, economic and other social relations. It is unphilosophical, then, to claim that any one set of social relations is the general cause or explanation of other social relations. They are all the common product of the same cause.

"economic man," just as there is no "theological man." The merchant has family ties just as the clergyman has an appetite.

The wealth which forms the subject-matter of economic activity can be increased only through the multiplication of commodities; but this multiplication can take place only in connection with an increased demand. Increased demand, however, means a diversification of wants. The things wanted by an individual depend in last resort on his æsthetic, intellectual and moral condition. The economic life is thus ultimately bound up with the whole ethical and social life. Deeper than is often recognized is the meaning of Ruskin's statement, "There is no wealth but life," and of his further claim, "Nor can any noble thing be wealth except to a noble person." The goal of all economic development is to make wealth abundant and men able to use wealth correctly.

If society, then, is an aggregation of individuals and if history is the record of the activities of the social group and its constituent elements, history is the parti-colored garb of humanity. In one sense, then, there are as many methods of interpreting history as there are classes of human activities or wants. There is not only an economic interpretation of history, but an ethical, an æsthetic, a political, a jural, a linguistic, a religious and a scientific interpretation of history. Every scholar can thus legitimately regard past events from his own particular standpoint.

Nevertheless, if we take a broad view of human development, there is still some justification for speaking of *the* economic interpretation of history as the important one, rather than of *an* economic interpretation among other equally valid explanations. The broad reasons which lead to this conclusion may be summed up as follows.

Human life has thus far not been exempt from the inexorable law of nature, with its struggle for existence through natural selection. This struggle has assumed three forms. We find first the original struggle of group with group, which in modern times has become the contest of people with people, of nation with nation. Secondly, with the differentiation of population



there came the rivalry of class with class : first, of the sacerdotal with the military and the industrial class ; later, of the moneyed interest with the landed interest ; still later, of the labor class with one or all of the capitalist classes. Thirdly, we find within each class the competition of the individuals to gain the mastery in the class. These three forms of conflict are in last resort all due to the pressure of life upon the means of subsistence ; individual competition, class competition and race competition are all referable to the niggardliness of nature, to the inequality of human gifts, to the difference in social opportunity. Civilization indeed consists in the attempt to minimize the evils, while conserving the benefits, of this hitherto inevitable conflict between material resources and human desires. As long, however, as this conflict endures, the primary explanation of human life must continue to be the economic explanation—the explanation of the adjustment of material resources to human desires. This adjustment may be modified by æsthetic, religious and moral, in short by intellectual and spiritual, forces ; but in last resort it still remains an adjustment of life to the wherewithal of life.

When a more ideal economic adjustment is finally reached—that is, when science shall have given us a complete mastery over means of production, when the growth of population shall be held in check by the purposive activity of the social group, when progress in the individual and the race shall be possible without any conflict except one for unselfish ends, and when the mass of the people shall live as do to-day its noblest members—then, indeed, the economic conditions will fall into the background and will be completely overshadowed by the other social factors of progress. But until that period is reached, the economic conditions of the social group and of the mass of individuals must continue to retain their ascendancy. From the beginning of social life up to the present the rise, the progress and the decay of nations have been largely due to changes in the economic relations, internal and external, of the social groups, even though the facility with which mankind has availed itself of this economic environment has been the

product of intellectual and moral forces. While the study of the economic factors alone will manifestly not suffice to enable us to explain all the myriad forms in which the human spirit has clothed itself since history began, it is none the less true that so long as the body is not everywhere held in complete subjection to the soul, so long as the struggle for wealth does not everywhere give way to the struggle for virtue, the social structure and the fundamental relations between social classes will be largely shaped by these overmastering influences, which, whether we approve or deplore them, still form so great a part of the content of life.

Human activity is indeed the activity of sentient beings, and the history of mankind, therefore, is the history of mental development ; but human life depends upon the relation between the individual and his environment. In the struggle that has thus far gone on between individuals and groups in their desire to make the best of their environment, the paramount considerations have necessarily been economic in character. The view of history which lays stress on these paramount considerations is what we call the economic interpretation of history. They are not the exclusive considerations, and in particular instances the action and reaction of social forces may give the decisive influence to non-economic factors. Taking man, however, for what he has thus far been and still is, it is difficult to deny that the underlying influence in its broadest aspects has very generally been of this economic character. The economic interpretation of history, in its proper formulation, does not exhaust the possibilities of life and progress ; it does not explain all the niceties of human development ; but it emphasizes the forces which have hitherto been so largely instrumental in the rise and fall, in the prosperity and decadence, in the glory and failure, in the weal and woe of nations and peoples. It is a relative, rather than an absolute, explanation. It is true of the past ; it will tend to become less and less true of the future.

## XI.

If we ask, finally, what importance shall be assigned to the theory of economic interpretation, we must consider it from two different points of view.

From the purely philosophical standpoint, it may be confessed that the theory, especially in its extreme form, is no longer tenable as the universal explanation of all human life. No monistic interpretation of humanity is possible; or, at all events, none will be possible until that most difficult of all studies — sociology — succeeds in finally elaborating the laws of its existence and thus vindicating its claim to be a real science. As a philosophical doctrine of universal validity, the theory of “historical materialism” can no longer be successfully defended.

But in the narrower sense of economic interpretation of history — in the sense, namely, that the economic factor has been of the utmost importance in history, and that the historical factor must be reckoned with in economics — the theory has been, and still is, of considerable significance. What is this significance to economics as well as to history?

In economics the old controversy as to the respective merits of the deductive and the inductive methods has been laid to rest. It is now recognized that both methods are legitimate and even necessary. The older antagonism to the quest for natural law in economics is now seen to be due to a confusion of thought and to a mistaken identification of natural law with immutable precepts. When the earlier writers spoke of the law of free trade, or of the inexorable law of *laissez faire*, they did not use the term “law” in the sense of scientific law, or a statement of the necessary relations between facts. Yet this is the only sense in which the term is properly employed. The removal of the older teleological connotation has left the conception of natural law in economics as innocent and as valuable as it is in any so-called pure science. While the explanation of what actually exists, however, forms an undoubted part of all science, the study of how these things have come

to be what they are is perhaps of more importance in the social disciplines than in all others. The realization of the fact that social institutions are products of evolution, and that they thus form historical and relative categories, instead of being absolute categories, is the one great acquisition of modern economics which differentiates it *toto caelo* from that of earlier times.

The acceptance of the principle of growth and of historic relativity is due to several causes. The historical school of jurisprudence in Germany, under Savigny and Eichhorn, did much to prepare men's minds for the reception of what now seems an obvious truth in legal science. The historical school of economists, under Roscher, Hildebrand and Knies, did more to familiarize the public with the newer conception. The influence of Darwin and the application of Darwinian methods to social science by Spencer and Wallace did still more to reinforce the idea of growth by the doctrines of evolution and natural selection. The juriconsults, however, confined themselves to law, the historical economists, at the beginning at least, did not realize the connection between the economic and the wider social life and the Darwinians came on the scene at a later date. Comte indeed, influenced no doubt by Saint Simon, had called attention to the relation between economics and sociology, but his own fund of economic knowledge was exceedingly slight. Long before Spencer wrote, Karl Marx, in a way undreamt of by the historical economists, and unrecognized by Comte, not only stated that every economic institution is an historical category, but pointed out in a novel and fruitful way the connection between economic and social facts. It is always hazardous to ascribe a complex change of thought to simple causes, and there is no doubt that the newer stream of economic thought is due to various currents of influence; but it is safe to predict that when the future historian of economics and social science comes to deal with the great transition of recent years, he will be compelled to assign to Karl Marx a far more prominent place than has hitherto been customary outside of the narrow ranks of the socialists

themselves. In pure economic theory the work of Karl Marx, although brilliant and subtle, will probably live only because of its critical character; but in economic method and in social philosophy, Marx will long be remembered as one of those great pioneers who, even if they are not able themselves to reach the goal, nevertheless blaze out a new and promising path in the wilderness of human thought and human progress. The economic interpretation of history, in emphasizing the historical basis of economic institutions, has done much for economics.

On the other hand, it has done even more for history. It has taught us to search below the surface. The great-man theory of history, which was once so prevalent, simplified the problem to such an extent that history was in danger of becoming a mere catalogue of dates and events. The investigation of political and diplomatic relations indeed somewhat broadened the discipline and for a long time occupied the energies of the foremost writers. The next step in advance was taken when, under the influence of the school of historical jurisprudence, more attention was paid to the relations of public law, and when political progress was shown to rest largely on the basis of constitutional history. The study of the development of political institutions gradually replaced that of the mere record of political events. Legitimate and indispensable as was this step, it did not go far enough. Those writers, still so numerous, who understand by history primarily constitutional history, show that they only half comprehend the condition and the spirit of modern historical science.

The newer spirit in history emphasizes not so much the constitutional as the institutional side in development, and understands by institutions, not merely the political institutions, but the wider social institutions of which the political form only one manifestation. The emphasis is now put upon social growth, and national as well as international life is coming more and more to be recognized as the result of the play and interplay of social forces. It is for this reason that history is nowadays at once far more fascinating and immeasurably more complicated than was formerly the case. History now

seeks to gauge the influence of factors some of which turn out to be exceedingly elusive. It attempts to introduce into the past the outlines of a social science whose very principles have not yet been adequately and permanently elaborated.

Whatever be the difficulties of the task, however, the new ideal is now more and more clearly recognized. In the formulation of this new ideal the theory of economic interpretation has played an important, if not always a consciously recognized, rôle. It is not that the historian of the future is to be simply an economic historian, for the economic life does not constitute the whole of social life. It is, however, the theory of economic interpretation that was largely responsible for turning men's minds to the consideration of the social factor in history. Marx and his followers first emphasized in a brilliant and striking way the relation of certain legal, political and constitutional facts to economic changes, and first attempted to present a unitary conception of history. Even though it may be conceded that this unitary conception is premature, and even if it is practically certain that Marx's own version of it is exaggerated, if not misleading, it is scarcely open to doubt that through it in large measure the ideas of historians were directed to some of the momentous factors in human progress which had hitherto escaped their attention. Regarded from this point of view the theory of economic interpretation acquires an increased significance. Whether or not we are prepared to accept it as an adequate explanation of human progress in general, we must all recognize the beneficent influence that it has exerted in stimulating the thoughts of scholars and in broadening the concepts and the ideals of history and economics alike. If for no other reason, it will deserve well of future investigators and will occupy an honored place in the record of mental development and scientific progress.

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